



# Challenge Grant Program

## City of Gunnison

August 2005

### Purpose of the Program

The City of Gunnison Challenge Grant program is an innovative approach to funding new and creative efforts in Gunnison to increase sales tax revenue. The Challenge Grant program was created in 1992. It supports non-profit organizations and local, state and federal agencies in special events and other promotions which will attract visitors to the area and encourage them to stay and spend. Bringing new dollars into Gunnison supports the livelihood of our business community and enhances our quality of life.

This program functions as an important tool for economic and tourism development. The 1994 City of Gunnison Master Plan, which serves as a blueprint for the future of Gunnison, encourages the City to continue this program as a way to stimulate events, attractions, and community happenings as a means to attract visitors and generate sales tax.

### The Application Process

The Challenge Grant process is a simple one; it is timed to coincide with the regular meeting dates of the Gunnison City Council. **This is an important point because it means that applicants must schedule submissions to the City in such a way as to allow for a full 6 weeks to complete the process.**

### Submission of Application

Grant forms are available from the City's Community Development Department at any time. When filling out the request, be certain to provide answers with the review criteria in mind. A budget breakdown is required. An applicant must submit **eight copies** of the application form and attachments to Community Development Department, City of Gunnison.

### Staff and Committee Review

The Community Development Department reviews the application for completeness and schedules a **Challenge Grant Committee Review Session**. The applicant is invited and asked to discuss the request with the committee members for 15 minutes. The Review Session is usually held at lunch during the week. The Committee then excuses the applicant and completes a recommendation to City Council.

### City Council Review

The City Council reviews the application and the Committee's recommendation at a **Work Session** first. City Council Work Sessions are held on the first and third Tuesdays of the month. **The applicant must attend this session.** At the Work Session, the Council members may simply review and discuss the request, or may ask many questions of the applicant. Council will then place the grant application on the next City

Council's **Regular Session Consent Agenda** or schedule it on the agenda as **New Business**.

At its next **Regular** meeting (held on the second and fourth Tuesdays of the month), the City Council will take action on the grant request.

**The applicant is required to attend this meeting.** At the meeting, the Council will either vote on the application under the **Consent Agenda** or review the application again as **New Business** and then vote.

The vote may be for full funding, partial funding, or no funding. Conditions may be attached to the funding of the project by the City Council.

### Awarding Funds

Once the grant has been awarded, the Community Development Staff prepares a contract between the City and the applicant. The applicant and Mayor sign the contract. The funds will be issued once the applicant submits invoices from advertising, posters, or other items that were granted for funding. The City will reimburse the applicant for those expenses up to the awarded amount.

### Eligible Applicants

Non-profit organizations as well as local, state, and federal agencies may apply for funding. Private businesses may apply through a local non-profit or governmental agency which will serve as the sponsor and administrative unit for managing the contract with the City. Eligible applicants are listed below:

Business/Tourism Support Organizations  
Cultural/Historical Organizations  
Health/Human Service Organizations  
Social/Fraternal Clubs and Organizations  
Educational Agencies and Organizations

### Contract Provisions and Accountability

All applicants must agree to execute a contract with the City for the grant funds. **There are very few requirements in the contract, but they must be met or the applicant may be required to return the grant money. Failure to meet the contract also may jeopardize an applicant's ability to secure grants in future years.** All final reports are due within 30 days of the event or project in accordance with the provisions of the contract. Those contract requirements include, and are not limited to:

- A. A final narrative report and presentation to City Council;
- B. A detailed financial report of revenues and expenditures, showing demographics of ticket sales;
- C. Evidence of any required advertising and publication of the City's byline.

The City requires that all unused grant funds be returned to the Challenge Grant program for redistribution.

### Committee Information

Four citizens who represent a cross-section of the community and are appointed by City Council comprise the Challenge Grant Advisory Committee, in addition to a City Finance representative and the Community Development Director. The Community Development Planning Technician serves as staff to the Committee.

## Project Review Criteria

All projects are reviewed against the following criteria by the Committee.

- A. Project goals must include an expectation to increase the City's sales tax base.
- B. Project has the ability to be self-sustaining in the future. Declining financial support from the City should be anticipated. Maximum funding is three years.
- C. The project application is based on specified need to successfully execute the event.
- D. Application budget identifies profit as a reinvestment for the next year's event. Funds shall not be used for wages, salaries, or administrative costs.
- E. Project includes coordination and cooperation with other community organizations.
- F. Project shows high degree of commitment through cash or in-kind contributions by the applicant and those partners identified above.
- G. Application clearly defines the lines of responsibility for, and oversight of, the project.

## Application Instructions

Please submit the four following documents:

- A. The City of Gunnison Challenge Grant Program Cover Sheet (included with these guidelines).
- B. A letter describing the project, the total cost of the project, and the grant amount requested.
- C. A detailed budget to include all expenses and funding sources anticipated.
- D. A detailed marketing plan including where advertising will be, how many ads will be placed, and the cost per ad.
- E. Written answers to the following ten questions, in the order in which they are listed. Please answer all questions.
  - 1. How will the project produce increased sales tax revenues for the City and its residents?
  - 2. Who is the targeted audience? If the project is an event, estimate the number of participants it will attract. Try to break down both the number of local residents **and** the number of visitors who will participate.
  - 3. Describe the cooperation between the applicant and other organizations within the community such as Western State College, service clubs, community groups, etc.
  - 4. Explain how the project will be funded in the future, if it is an annual event.

5. Describe the commitment to the project in terms of cash and/or in-kind donations. In-kind donations include those donations of materials, services, or labor to the project.

6. Please list other sources of funding which have been approached. Describe the status of those requests (*decision pending, grant awarded*).

7. Please indicate who will be responsible for the project and the grant funds, if awarded.

8. What is the plan for advertising and promotion of the project, if it is an event? Attach any material already prepared. What technical assistance has been solicited to ensure that the marketing of the proposed event will be as successful as possible?

9. Describe how the City funds will be used. Funds shall not be used for wages, salaries, or administrative costs.

10. Has the Gunnison Country Chamber of Commerce been notified about this event? Will it be included on the Chamber's calendar?

## For More Information

Contact the Community Development Department of the City of Gunnison, Colorado. Our telephone number is (970) 641-8090. Our fax number is (970) 641-8051. Contact us by e-mail address at: [andie@ci.gunnison.co.us](mailto:andie@ci.gunnison.co.us).